



June 28, 2007

TO: Transportation Authority of Marin Commissioners  
FROM: Dianne Steinhauser, Executive Director  
THROUGH: Li Zhang, Manager of Finance and Administration  
RE: FY2007-08 TAM Annual Budget Adoption, Agenda Item 11

Dear Commissioners:

### **Executive Summary**

Attached for your consideration for adoption is the proposed FY2007-08 TAM Annual Budget. A preliminary budget was presented for your review at the May 24 Board meeting. Comments and suggestions made at the meeting were incorporated into the final Draft Budget. The proposed budget was then posted on the TAM website for public review and comment on May 25. A public notice was also published in the June 15 Marin Independent Journal to inform the residents in Marin that a public hearing on the TAM FY2007-08 Annual Budget will be held at the June 28, 2007 TAM Board meeting. Staff will incorporate all applicable comments received during the public hearing conducted earlier in the Board meeting's agenda into the final budget documents.

Several changes have been made since the TAM Board's May 24 review and are highlighted below:

1. Reduce revenue for the Non-Motorized Transportation Pilot Program (NTPP) by \$2.0 million and Expenses under the RM2 Interagency Agreements to County RM2 by \$2.0 million. The Central Marin Ferry Connection Project received \$2.0 million NTPP funds. TAM plans to swap this with \$2.0 million of RM2 funding from the County Calpark Tunnel Project to keep the federal funds (NTPP) in a project that is already federalized. The success of this funding exchange is pending MTC's final approval, but has not received any adverse comments to date.
2. Insurance line under the Administration Category is increased by \$3,000, from \$5,000 to \$8,000. This increase is to accommodate the renter insurance required at TAM's potential new office site.
3. A New item, Street Smarts – NTPP, is added under Professional Services. TAM expects to receive \$100,000 of NTPP funding from the County to conduct this project.

**Recommendation: The TAM Board adopt the Proposed TAM FY2007-08 Annual Budget**

### **Background**

Pursuant to Article VI, Section 106.1 of the TAM Administrative Code, no later than the June meeting of each year, the Board shall adopt the annual budget for the ensuing fiscal year. The Administrative Code further requires that a public hearing be held on the adoption of the budget and the proposed budget be posted for a public comment period for no less than 30 days.

The budget provides reasonable estimates for revenues expected for the upcoming fiscal year, as well as potential expenditures. Attachment 1, Draft TAM FY2007-08 Budget, illustrates all revenues and expenditure items included in the budget. Revenues included reflect both funds that TAM directly manages, such as Measure A Sales Tax, and funds that TAM acts as the pass-through agency, such as the Regional Measure 2 funding for Marin County. Attachment 2 illustrates assumptions used for the specific line items in the budget. As the designated Congestion Management Agency for Marin County, TAM collects contributions from each city/town and the county for the transportation programming/planning services provided. The fee is based on a 50% population/50% public road mileage maintained formula. Each jurisdiction's share for FY2007-08 is shown in Attachment 3. Attachment 4 illustrates TAM's annual appropriation limit (Gann Limit) calculation.

### ***Review by Marin Manager's Association :***

The Proposed FY2007-08 Budget was presented at the May 24 Marin Manager's Association (MMA) meeting and two comments were received from the group. The first comment was inquiring whether TAM can utilize excess Measure A funding as an advance to local agencies that otherwise have to come up with funds of their own to pay for projects prior to getting reimbursed. An example was mentioned regarding one city's need to advance over \$600,000 of its own funds on a Regional Measure 2 project, not being able to receive the reimbursement from MTC until several months later. Executive Director Dianne Steinhauser informed the group that Measure A revenue would not be available for any Non-Measure A related projects. However, TAM staff have recently worked with MTC and established a process that will expedite the reimbursement process in cases of RM2 fund use. This process will enable local agencies to be reimbursed for documented expenditures under RM2 within 30 days, once all documentation is delivered to TAM.

The second comment received from the MMA was regarding TAM's ability to track expenses for its contractor and subcontractors in its Safe Routes to School Program. The example was brought up regarding the Marin County Bicycle Coalition's (MCBC's) involvement with TAM's Safe Routes to School program, and how their TAM tasks were differentiated from other MCBC activities. The group wants to be assured that Measure A funding is not used by MCBC for purpose other than the Safe Routes to School program. ED Dianne Steinhauser confirmed that TAM tracks in quite some detail the specific tasks carried out each month by MCBC. No funds have been spent on non-SR2S activities. Upcoming compliance audits to start this coming year will add to the body of evidence regarding appropriate use of TAM funds. Since the meeting, TAM has offered to review its SR2S tracking process in detail with the local jurisdictions.

### **TAM Continues Its Transition:**

TAM begins the FY2007-08 year completing its transition to an independent agency integrating the CMA and Sales Tax Authority functions. TAM has now filled its four critical manager positions and is in the process of hiring an Accounting and Administration Specialist. While in its transition from staff supplied by the Marin County Public Works Department to

staff employed directly by TAM, TAM will continue to retain on loan 2 and 3/4 Full Time Equivalent County staff next year for critical work, such as the Greenbrae/Twin Cities 101/580 Corridor project and TAM's Planning activities. TAM is also expected to end its office search by Fall of 2007. The Board has authorized staff to find an office in central San Rafael and co-lease with the Marin County Transit District (MCTD) and Sonoma Marin Area Rail Transit (SMART). The Budget for FY2007-08 includes the lease for a new office, including furniture budget rollover from FY2006-07, a server, and other minor equipment.

### **Highlights of TAM's FY2007-08 Budget**

#### ***Measure A Revenue:***

Based on the disbursements received as of March of 2007, TAM staff estimates total Measure A revenue for FY2006-07 will be about \$20.8 million. The \$20.8 million revenue estimate reflects a 4.2% growth over actual revenue from FY2005-06. Due to economic uncertainty, staff proposes to maintain the final estimated revenue from FY2006-07 as the projected revenue amount for FY2007-08, which is about \$1 million more than the projected amount in the 2006 Strategic Plan for FY2007-08. The additional revenues will be programmed in the 2007 Strategic Plan Update, allowing project sponsors to access these funds in FY2007-08.

As specified in the Expenditure Plan and TAM's 2006 Strategic Plan, one percent of the total revenue is taken off the top for administration of the sales tax and four percent for program/project management oversight. Another five percent of the sales tax revenue is set aside as reserve for unforeseen economic hardship or funding loss. Based on a revenue estimate of \$20.8 million, \$1.04 million will be earmarked for Measure A administration and program management support for FY 2007-08. An additional \$1.04 million will be budgeted for reserve. Also, \$2.35 million will be deposited for Strategy 2, after the 10% takedown mentioned above, to fulfill the \$25 million committed to the 101 HOV Gap Closure Project. Revenue share for the remaining three strategies are recalculated and the remaining funds are distributed accordingly.

#### ***Potential Debt Financing Needs:***

The successful bidder for the Segment 4, Puerto Suello Hill Gap Closure project, Ghilotti Brothers Inc of San Rafael has bid a schedule that is 10 months faster than anticipated. TAM has committed a total of \$25 million in Measure A funds to this project. While TAM is able to use the current cash balance and the additional \$2.35 million in annual debt service reserve to meet the cash flow needs for the project through the end of Calendar Year 2007 all of the remaining funding needs will need to be satisfied by early 2008 based on the current project schedule. The Major Road Projects are faced with similar circumstances. Current project schedules indicate that funding needs will exceed revenues collected starting in FY2008-09. Over the next six month period, staff will develop a debt financing policy and process and present various financing options to the Board for review. The actual debt financing needs for both the Highway 101 Gap Closure Project and Major Roads will be determined during this process and the budget will be revised accordingly.

#### ***New Revenues Expected for FY2007-08:***

**STIP/PPM:** With the passage of Assembly Bill 2538, TAM is eligible to use up to 5% of its STIP funds for Planning, Programming, and Monitoring (PPM) activities. In FY 2006-07, \$24,000 was available for PPM activities. In FY 2007-08, the amount increased to \$141,000 for staff support and other STIP related activities.

RM2: TAM expects a total of \$7.1 million in Regional Measure 2 (RM2) funds for projects in FY2007-08, which represent \$3.4 million more than the previous year. The increase is attributed to the start of construction work for the Calpark Hill Pathway and ongoing support work for the Greenbrae/580/101 Project.

NTPP: The Non-motorized Transportation Pilot Program (NTPP) was created in 2005 as part of SAFETEA-LU to demonstrate the extent to which bicycling and walking can carry a significant part of the transportation load and represent a major portion of the transportation solution. Marin County was one of the four locations nationwide to receive \$25 million in NTPP funds. After a detailed process of selecting the best projects and programs countywide to receive the federal funding grants, the Central Marin Ferry Connection Project, part of the Greenbrae/Twin Cities 101/580 corridor, received \$2 million from NTPP, which will be used on the Multi-use Pathway portion of the project. As highlighted in the Executive Summary Section, in order to keep the Central Marin Ferry Connection Project un-federalized, staff is pursuing a fund swap with RM2 funding from MTC for the Calpark Tunnel project. The outcome of the funding exchange is very positive and staff has revised the proposed budget to reflect this anticipated change. Also, \$100,000 was added to this line item for the Street Smarts program.

CMIA: TAM successfully secured \$20 million from the Prop 1B Corridor Mobility Improvement Account (CMIA) for the 580/101 Connector Project. \$2.5 million will be used in FY2007-08 to start the design efforts on this project.

MSN Federal Earmark: TAM secured \$842,000 in a federal earmark to support environmental support and preliminary engineering work on the Marin Sonoma Narrows (MSN) Project, with \$500,000 of the total amount expected to be used in FY2007-08.

TCRP: About \$3.1 million from the Traffic Congestion Relief Program (TCRP) is expected for FY2007-08 to start design efforts on the Marin Sonoma Narrows Project.

***Major Expenditure Categories:***

Administration: Compared to FY2006-07, there is an increase of approximately \$550,000 in the Administration Category. The Salaries and Benefits and Equipment line items are the major contributors to the budget increase. Increase in the Salaries and Benefits item is attributed to a fully staffed TAM that was not the case in FY 2006-07. The budget also includes funding for the recently approved Accounting and Administration Specialist position. Also, it should be noted that \$44,000 of the total \$80,000 in the Equipment item is a rollover from the FY2006-07 budget for the server project, which was postponed due to a delay in office relocation. Staff also proposes two new budget line items: Professional Development and Miscellaneous Expenditures, each at \$5,000 a piece. The Professional Development item will enable staff to take appropriate training courses. The Miscellaneous Expenditure item is for any necessary, non-budgeted, administration needs.

Professional Services: The Professional Service Category in the FY2007-08 Budget is increased by more than \$7.8 million compared to the budget of FY2006-07. TAM will be undertaking several major capital projects, such as the Marin Sonoma Narrows Project and the 580/101 Connector, that contribute to the increase. Also, expenditures for the Greenbrae/580/101 Project are also expected to increase by about \$2.4 million because design work will ramp up.

**Measure A Programs:** As specified in the 2006 Strategic Plan, five percent, or \$1.04 million, of the \$20.8 million in Measure A funds for FY2007-08 is set aside as reserve. TAM is expected to fully allocate the funding share for Strategies 1 and 2. The budgeted amounts for Strategy 3 and Strategy 4 are based on the actual project/program needs. Total Measure A expenditures will be \$22.7 million, a \$5.1 million increase compared to FY2006-07 budgeted expenditures. Note that while we collect just over \$20 Million, there is a substantial carryover which in part will be expended in FY2007-08.

**Interagency Agreements:** The Interagency Agreements category covers projects that TAM acts as the pass through agency, as opposed to being a project sponsor. The expenditure level for all the TFCA projects is expected to be similar to FY2006-07 at \$600,000. The \$2.7 million budget increase for this category is attributed to the fund agreement with Marin County for RM2 funds on the Cal Park tunnel project, which will increase from \$1.05 million in the current budget to \$3.8 million for FY2007-08. The Calpark Tunnel will begin construction in FY 2007-08 and is being managed by the County of Marin.

***Prior Year Carryover:*** Based on the current revenues and expenditures trend, it's estimated that FY2006-07 will end with approximately \$20.4 million available in various TAM funding accounts. Please note all funds carried into FY2007-08 from FY2006-07 are restricted. In other words, these funds have been planned for expenditures in upcoming years, including allocations for Measure A projects/programs, professional services for various CMA activities, etc.

### **Appropriations Limit**

TAM Ordinance 2004-1 adopted the final Measure A Sales Tax Expenditure Plan and an annual appropriations limit (Gann Limit) as required by Article XIII B of the State Constitution. Each year the limit is re-calculated based on inflation and population growth factors. As shown in Attachment 4, the FY2007-08 appropriations limit is \$55,398,679, and the net sales tax amount subject to limitation is \$21,040,000. This sales tax amount includes the new Measure A revenues available in FY2007-08 and estimated interest earnings.

**Recommendation:** Staff recommends the Board adopt the Proposed TAM FY2007-08 Annual Budget.

### **Attachments**

- Attachment 1. Draft TAM FY2007-08 Budget
- Attachment 2. Assumptions for FY2007-08 Budget Development
- Attachment 3. FY2007-08 City/Town/ County CMA Fee Schedule
- Attachment 4. Calculation of FY2007-08 Appropriation Limit

**Attachment 1**

**Transportation Authority of Marin  
DRAFT FY2007-08 Annual Budget**

	<b>Adpoted FY 06-07</b>	<b>Proposed FY2007-08</b>	<b>% Change</b>
<b><u>Beginning Balance - Note 1</u></b>	<b><u>13,647,729</u></b>	<b><u>25,093,743</u></b>	<b><u>83.9%</u></b>
<b>REVENUE</b>			
Measure A	19,503,000	20,800,000	6.7%
Cities and Counties	430,000	430,000	0.0%
Interest Earned	-	250,000	N/A
STP/CMAQ	375,000	375,000	0.0%
T-Plus	150,000	150,000	0.0%
STIP/PPM	24,000	141,000	487.5%
RM2	3,712,500	7,100,000	91.2%
Community Based Transportation	60,000	55,000	-8.3%
TDA Article 3	77,050	63,000	-18.2%
TFCA/BAAQMD	619,164	363,038	-41.4%
Non-Motorized Transportation Pilot Program	-	100,000	N/A
MSN Federal Earmark	253,886	500,000	96.9%
CMIA Bond Revenue	-	2,500,000	N/A
TCRP	-	3,100,000	N/A
<b><u>Total Revenue Available</u></b>	<b><u>25,204,600</u></b>	<b><u>35,927,038</u></b>	<b><u>42.5%</u></b>
<b>EXPENDITURES</b>			
<b>Administration</b>			
Salaries & Benefits	1,278,462	1,778,000	39.1%
Office Lease	186,500	186,500	0.0%
Office Furniture	79,500	79,500	0.0%
Equipment	44,000	80,000	81.8%
Telephone	14,300	14,300	0.0%
Office Supplies	20,000	20,000	0.0%
Insurance	5,000	8,000	60.0%
Audit	19,000	15,000	-21.1%
Legal	13,000	20,000	53.8%
Accounting/Payroll	10,000	10,000	0.0%
Document Reproduction	10,000	10,000	0.0%
Memberships	10,000	10,000	0.0%
Travel/Meetings/Conferences	17,500	20,000	14.3%
Professional Development	-	5,000	N/A
Misc. Expenses	-	5,000	N/A
<b><u>Subtotal, Administration</u></b>	<b><u>1,707,262</u></b>	<b><u>2,261,300</u></b>	<b><u>32.5%</u></b>



**Attachment 1**

**Transportation Authority of Marin  
DRAFT FY2007-08 Annual Budget**

<b>Professional Services</b>			
CMP	120,000	65,000	-45.8%
T-PLUS	74,500	75,000	0.7%
PMO Consultant	402,633	400,000	-0.7%
Community Based Transportation	54,000	49,000	-9.3%
Bike Planning	77,050	63,000	-18.2%
MSN Hot Lane Follow Up Study	150,000	200,000	33.3%
MSN Preliminary Engineer and Design	-	3,100,000	N/A
101 Gap Closure CMO	-	290,000	N/A
Federal Legislative Assistance	-	25,000	N/A
State Legislative Assistance	35,000	35,000	0.0%
Financial Advisor	35,000	35,000	0.0%
HR/IT Support	55,000	55,000	0.0%
Consulting Pool	24,853	50,000	101.2%
Hwy 101/Greenbrae	1,600,000	3,500,000	118.8%
580/101 Connector	-	2,350,000	N/A
Street Smarts - NTPP	-	100,000	N/A
<b>Subtotal, Professional Services</b>	<b>2,628,036</b>	<b>10,392,000</b>	<b>295.4%</b>
<b>Measure A Programs</b>			
Reserve	1,032,150	1,040,000	0.8%
Strategy 1 - Transit	8,945,389	9,733,514	8.8%
Strategy 2 - Gap Closure	1,490,732	1,984,115	33.1%
Strategy 3 - Streets & Rds	4,810,190	6,805,406	41.5%
Strategy 4 - Safe Routes	1,295,000	3,119,250	140.9%
<b>Subtotal, Measure A Programs</b>	<b>17,573,461</b>	<b>22,682,285</b>	<b>29.1%</b>
<b>Interagency Agreements</b>			
TFCA	601,252	600,000	-0.2%
County RM2	1,050,000	3,800,000	261.9%
<b>Subtotal, Interagency Agreements</b>	<b>1,651,252</b>	<b>4,400,000</b>	<b>166.5%</b>
<b>Total Expenditures</b>	<b>23,560,011</b>	<b>39,735,585</b>	<b>68.7%</b>
<b>Net Change in Fund Balance - Note 2</b>	<b>11,446,014</b>	<b>(3,808,547)</b>	<b>-133.3%</b>
<b>Ending Balance - Note 3</b>	<b>25,093,743</b>	<b>21,285,197</b>	<b>-15.2%</b>

**Notes:**

*Note 1: Beginning Balance of FY2005-06 is the audited FY2005-06 fund balance. Beginning Balance for FY2007-08 is estimated Ending Balance of FY2006-07.*

*Note 2: Net Change is estimated based on actual revenues and expenditures coming in, instead of budgeted revenues and expenditures.*

*Note 3: Ending Balance for FY2006-07 are based on actual as of May 22 and estimated revenues and expenditures for the remaining of the year.*

## Attachment 2

### Assumptions for FY2007-08 Budget Development

Item	Assumption
<b>REVENUES</b>	
Measure A	\$20.8 million, estimates based on FY2006-07 Measure A disbursement as of April, 2007
Cities and Counties	\$430,000, based on 50% roadmiles/50% population formula using the same factors from FY2006-07; amounts for cities/towns and county is in Attachment 3
STP/ CMAQ	\$375,000, based on the funding agreement with MTC for FY2006-07, no funding level change is expected for FY2007-08
T-Plus	Continuation of same funding level from MTC
STIP/ PPM	\$141,000, based on the programming amount in the STIP, CMAs can use up to 5% for PPM with the passage of AB2536
BAAQMD/ TFCA	\$363,038. Based on FY2007-08 revenue estimates and FY2006-07 true up provided by BAAQMD
RM-2	\$7.1 million. RM-2 Bridge Toll funds for Marin County projects are managed by TAM
CBT	\$55,000 grant, reimbursement based, amount expected to spent in FY2007-08, \$49,000 for contact, \$6,000 staff support
TDA Art. 3	\$63,000. TDA Article 3 funds will be used for the Bicycle and Pedestrian Plan update, as allocated by the TAM board
MSN Fed Earmark	An \$842,000 earmark for the Marin Sonoma Narrows project was made available through SAFETEA-LU, which will cover multi-year expenditures. \$500,000 funding is budgeted for staff costs, consultant management support, and a toll road/HOT lane study
CMIA	\$2.5 million CMIA funding for the 580/101 Interchange environmental and design work
TCRP	\$3.1 million funding for MSN design, most likely from TCRP funds
<b>EXPENDITURES</b>	
<b>Administration</b>	
<i>Salaries and Benefits</i>	\$1.78 million, based on current staff level, 7 TAM/LGS positions and 3 TAM/County employees. Average 3% inflation is assumed
<i>Office Lease</i>	\$186,500, 5,000 sf @\$2.90/sf/mo = \$145,000 per year; \$41,500 for potential tenant improvement needs.
<i>Furniture</i>	\$79,500, 14 workstations at \$5,200 each; balance for misc other furniture needs
<i>Equipment</i>	\$80,000, For server, computers, phone and other equipment needed. \$44,000 rollover from last year for server purchase
<i>Telephone</i>	\$14,300, service fees for TAM office and cell phones.
<i>Office Supplies</i>	\$20,000, based on estimated FY2006-07 expenditures , plus increase for increased staffing; includes copier lease
<i>Document Reproduction</i>	\$10,000, based on estimated FY2006-07 expenditures, including Annual Report production
<i>Insurance</i>	\$8,000, based on current quote and potential rent insurance need for the new office building
<i>Audit</i>	\$15,000, based on FY2005-06 Audit needs and a revised work scope
<i>Legal</i>	\$20,000, based on prior year estimated actual plus additional activity
<i>County Accounting Services</i>	\$10,000, based on contract estimate
<i>Memberships/ Dues</i>	\$10,000, based on Self Help Counties Coalition, CalCOG, dues for employees' professional memberships
<i>Travel, Training and Conferences</i>	\$20,000, based on prior year estimated actual plus additional travel for increased staffing
<i>Professional development</i>	\$5,000, for staff professional/computer skill trainings/classes
<i>Misc. Expenses</i>	\$5,000 for any necessary, non-budgeted, administration needs



**Attachment 2****Assumptions for FY2007-08 Budget Development**

<b>Professional Services</b>	<b>Based on current and anticipated consulting contracts</b>
<b>Measure A Programs</b>	
<i>Measure A Reserve</i>	\$1,040,000. A 5% reserve fund is established as allowed in the Expenditure Plan to address potential variations in sales tax revenues
<i>Project Management</i>	Project management fees assigned to programs per 2006 Strategic Plan
<i>Strategy 1</i>	Based on fully allocate estimated available revenue
<i>Strategy 2</i>	Assign the \$2.35 million debt service reserve revenue to Strategy 2
<i>Strategy 3</i>	Based on projects needs of Substrategy 3.1 and fully allocate FY2006-07 revenue and prior year carryover to Substrategy 3.2
<i>Strategy 4</i>	Based on projects/programs needs
<b>Interagency Agreement</b>	
<i>TFCAs</i>	Potential reimbursement requests for FY2007-08 are expected at \$600,000
<i>County RM2</i>	Pass-through RM2 funding for Marin County's RM2 funded projects

**Attachment 3****Transportation Authority of Marin****FY2007-08 City/Town/County CMA Fee Schedule**

<b>Agency</b>	<b>Pro-Rata Share</b>	<b>FY2007-08 Fee</b>
Belvedere	1.02%	\$ 4,371
Corte Madera	2.95%	\$ 12,688
Fairfax	2.87%	\$ 12,357
Larkspur	4.14%	\$ 17,794
Mill Valley	6.05%	\$ 26,005
Novato	17.10%	\$ 73,536
Ross	1.23%	\$ 5,271
San Anselmo	4.78%	\$ 20,563
San Rafael	20.13%	\$ 86,548
Sausalito	2.84%	\$ 12,208
Tiburon	3.26%	\$ 14,011
County	33.64%	\$ 144,648
<b>Total</b>	<b>100.00%</b>	<b>\$ 430,000</b>

***Notes:***

1. Based on 50% road miles and 50% population formula.
2. Based on 2005 Department of Finance Population Estimates and FY2002-03 Marin County Road List.

#### ***Attachment 4***

### **Calculation of FY2007-08 Appropriation Limit**

#### **Calculation of FY2007-08 Appropriation Limit**

FY2006-07 Appropriation Limit		\$ 52,797,509
Inflation Factor (Per capita income change, 2005-2006)*	X	1.0414
Population Factor (Population change, 2005-2006)*	X	<u>1.0076</u>
FY2007-08 Appropriation Limit		\$ 55,398,679

#### **Appropriations Subject to the Limit**

The amounts in the Draft TAM FY 2007-08 Budget subject to the Limit (net proceeds of taxes) total \$20,800,000. This amount is significantly below the required Limit:

FY2007-08 Appropriation Limit	\$ 55,398,679
FY2007-08 Appropriations Subject to Limit	\$ 21,040,000
Amount under Limit	\$ 34,358,679

#### **Sources:**

1. Marin County Per Capital Income data for 2004 and 2005, from Bureau of Economic Analysis, US Department of Commerce.  
<http://www.bea.gov/regional/reis/drill.cfm>
2. Marin County Population data for July 2005, and July 2006, from California Department of Finance.  
[http://www.dof.ca.gov/HTML/DEMOGRAP/ReportsPapers/Estimates/E2/documents/E-2\\_Report\\_Jul06.xls](http://www.dof.ca.gov/HTML/DEMOGRAP/ReportsPapers/Estimates/E2/documents/E-2_Report_Jul06.xls)